

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1822 - HB 1910

February 10, 2014

SUMMARY OF BILL: Beginning January 1, 2015 and on January 1 of each subsequent year, requires that the current \$600, paid to each applicable law enforcement officer, having successfully completed 40 hours of in-service training, be adjusted to account for inflation to the nearest \$100. The United States Bureau of Labor Statistics (BLS) consumer pricing index (CPI) shall be the standard measure for inflation in calculation of such adjustments. Requires the Peace Officers Standards and Training Commission (POST) to notify each eligible local unit of government of any changes in the dollar amount of such payment and further requires that such information be posted in a readily identifiable location on POST's website.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,360,400/FY17-18 and Subsequent Years

Assumptions:

- This payment is provided using state funds, and disbursed through POST.
- The inflation rate that will be applied in future years is unknown. The BLS updates the inflation rate or consumer pricing index CPI monthly; therefore, any change in the amount provided to such law enforcement officers is not able to be determined to an exact degree.
- POST estimated an average 2.3 percent inflation rate.
- Using this inflation rate, the first year in which the figure of \$600 would round to \$700 is in FY17-18. The next rounded increase, from \$700 to \$800, will occur in 2030.
- According to POST, there are approximately 13,604 law enforcement officers eligible for this payment.
- In FY17-18, the \$100 increase in payment to \$700 will result in an increase in state expenditures of \$1,360,400 (\$100 x 13,604).
- There will not be a significant fiscal impact to POST to provide and update any information regarding these payments upon its website.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jdb